

Philip Morris USA
BusinessPHILIP MORRIS U.S.A.
INTEROFFICE CORRESPONDENCE
Richmond, Virginia

To: John Hackett

Date: September 26, 1997

From: — Elizabeth Chambers

Subject: Purchasing Samples of Philip Morris Brands Within Massachusetts

As part of a recently enacted state law, the Commonwealth of Massachusetts has demanded that each tobacco manufacturer purchase four (4) packs of every brand style within a brand family with a market share greater than 5%. This applies to thirty-four (34) brand styles from the Marlboro and Basic brand families. We are required to follow the detailed sampling procedure included in the state law.

The state procedure requires us to purchase all samples at retail at approximately the same time. At a minimum, for each brand style sampled, 4 packages of cigarettes must be purchased from 5 retailers located in five separate counties in Massachusetts, for a total of 100 packs purchased. Two packs from each location must be mailed to the Department of Public Health from the county in which the product is purchased.

Below is a brief explanation of each step.

1. The four (4) packs of each brand style must be purchased from the same retail store at approximately the same time.
2. A Territory Sales Manager (TSM) within a county must purchase four (4) packs of each brand listed (Marlboro and Basic families) on the attached pages from five different retailers. If the TSM is fortunate enough to find all brand styles within the same retail store then he will purchase a total of 136 packs. By the time the TSM covers all five retail stores he will have purchased a total of 680 packs. The TSM must affix a label to each pack (labels are enclosed) on which the TSM must write the date, name of the retail store, store #, and county of purchase. The labels must be legible. After the four packs (of each brand style) are purchased at a retail store and properly labeled, 2 packs must be mailed to the Department of Health and two packs mailed to Elizabeth Chambers at Philip Morris. Please mail in secure packaging that will ensure that the cigarettes will be protected from damage or loss.
3. If some brand styles are not available in certain retail locations, those brand styles must be purchased in another retail location where they are available. For example, if the TSM finds all brands within the same retail store except Marlboro King Size 25/pack and Basic Lights 100, then these brand styles can be purchased at another retail store. These four packs should be purchased from the same store and at approximately the same time. The TSM must purchase the brands from at least five retail stores. He may have to visit more than five stores in order to obtain the required 20 packs per brand style.
4. The attached forms must be accurately completed and a copy of each form must accompany the cigarettes when mailed to the Department of Health in Massachusetts and to Philip Morris.

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